

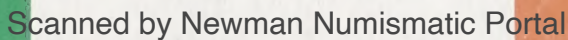


THE CENTRAL BANK MONEY MUSEUM QUARTERLY

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BARRILLA

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Editorial Consultant: Rodolfo V. Romero

Editor: Dr. Benito J. Legarda

Executive Editor: Dr. Angelita G. Legarda

Editorial Advisers: Manuel P. Manahan, Antonio V. Bantug, Guy Davis

COVER features the different Mexican coins used in the Manila-Acapulco Trade superimposed on 18th century maps of the two cities.

Editorial

This month the Philippines plays host to the biggest conference that has been held on our shores, namely, the Annual Meetings of the International Monetary Fund and the World Bank and its Affiliates.

The Central Bank of the Philippines has been in the forefront of preparations to make the meetings fruitful and the delegates' stay pleasant. The Bank's conference program has a numismatic aspect which includes the minting of gold and silver commemorative coins incorporating the logos of the organizations involved, and a bronze presentation medal. These numismatic items were designed by *Barrilla's* Executive Editor, with the assistance of the members of a special ad hoc committee.

There is also an exhibit of the travelling collection of the Banco de Mexico and of Colombian coins and gold artifacts. These displays come from countries with which the Philippines has had long-standing historical and cultural ties and with which it presently maintains cordial diplomatic relations as well as a close association in Fund-Bank matters.

The initiative of the Banco de México in contributing its travelling display is particularly noteworthy in view of the former ties that bound our two countries. For two and a half centuries, the Philippines was administered from the Vice-royalty of México. Thereafter, and spilling over into the first few years of the 20th century, Mexico's coinage was the standard of reference and the main circulating monetary medium in this country as well as in all of East Asia.

To celebrate this aspect of the Fund-Bank meetings, therefore, *Barrilla's* current issue focuses for the most part on the money of México, its influence on this country's monetary usage and numismatics, and its significance in the larger framework of regional and international trade. The Mexican peso was, after all, as close to being the SDR of the 18th and 19th centuries as it was possible to be at the time. The exhibit also serves to bring out certain highlights of Mexican history such as its war for independence in the 19th century and its social revolution in the 20th century – highlights which pioneered a path for others to learn from in the Third World.

For a month, therefore, the Central Bank Money Museum will be the home of the travelling Mexican monetary exhibit and the Colombian display of coins and gold objects, and the Philippine public will have a chance to learn a little more about cultures that, although separated by wide oceans, have such close affinities with ours. *Barrilla* wishes to acknowledge the key roles in making these displays available played by Director General Ernesto Fernández Hurtado and his staff at the Banco de México, and General Manager Germán Botero, Deputy Manager Antonio José Gutierrez, Senator Virgilio Barco and the staff of the Banco de la República and the Museo del Oro in Bogotá.

WELCOME TO THE CENTRAL BANK MONEY MUSEUM

Mexican Coins In The Philippines

by

Benito J. Legarda

For three and a half centuries, or roughly from the Legazpi expedition to World War I, Latin American silver coins were the monetary mainstay of the East Asian trade. Of this Latin American silver, by far the major part consisted of Mexican coins, both colonial and republican. For most of the period we are referring to, the Philippines was the funnel through which Spanish-American silver reached Asian waters, and the main institution in this regard was the famous Manila-Acapulco Galleon Trade.

THE VILLALOBOS EXPEDITION

The monetary encounter which took place during the Legazpi expedition has been well documented. What is a matter for speculation is whether Mexican coins were introduced earlier than that. The Mexico Mint commenced operations in 1536 and the only expedition between then and Legazpi's was the Villalobos expedition of 1542 which was dogged by hunger, hostility and misfortune. The readily accessible material is either fragmentary or consists of general summaries. Because of the general antagonism with

which they met, the members of the expedition appear to have traded little. Whatever they got they had to get in combat, and that was not very much.

However, there is a tantalizing hint from the galliot *San Cristobal* which was separated from the expedition on the Pacific and rejoined it at Sarangani Island five months later after having stopped in Leyte. This ship reported that the inhabitants of that part of the archipelago were willing to trade. Could this then have resulted in the first "landing" of Mexican coins on Philippine soil? The *San Cristobal* report may however have been over-optimistic. Subsequent attempts by the expedition to trade in the same places were inauspicious. Nothing definite as to monetary dealings can therefore be inferred from this contact. (5:XIX,XXVIII)

THE LEGAZPI EXPEDITION

As already mentioned, the detailed documentation of the Legazpi expedition includes among other things several accounts of monetary transactions. In both Bohol and Butuan, it is recorded that Muslim traders from Borneo and Luzon

were found who took a liking to the testoons or half-pesos which the Spaniards carried and who would only trade on the basis of payment in these silver coins. It is also recorded that, probably under their influence, the local inhabitants also insisted on being paid in silver. The exchange was six units of silver for one of gold by weight.



CARLOS Y JUANA COINS — Above: a testoon (4-reales) and a 2-real coin; below: obverse and reverse of the 1-real denomination.

The references are quite numerous and extensive. "During all this time (about the end of March 1565) the Bornean Moros entered the ships with all assurance and freedom and traded with the Spaniards . . . The Moros upon seeing silver testoons took such a fancy to them that they would take no other payment . . ." (5:308)

" . . . These Moros took such a fancy to the testoons that they looked wide-eyed at each one and to get some they would do anything . . ." (5:313)

"The Treasurer Guido de Lavazaris carried certain testoons . . . and at the rate of six to one gave them to the (Luzon) Moros, and they gave gold dust and semiprecious stones . . . It seems that the natives of Botuan (sic) came to the tender bringing gold and wax to sell, and the Moros went to them and hindered them, inducing them to take no payment from those aboard the tender except silver testoons, and when it was seen that they had sold their goods in exchange for linen and taffeta, they made them repudiate the agreement, saying that they were being cheated, and by other means that sufficed to bring them to their point of view, thus they accepted nothing but testoons at the prices mentioned above, which must have been with the intention of taking from the natives the testoons which our people would give them, because those of this island neither know testoons, nor trade in them, nor know what they are, and if they took them it must have been as understood upon advice of the Moros and for them, because the eagerness which they showed to have them was extremely great and they pleaded that they be given testoons, and in exchange they would give all the gold they had, and they indicated that they had a great quantity . . ." (5:315-316)

" . . . In a port called Butuan . . . we were forced to trade with them (the Moros) as they would not allow the natives to trade with us, and the said Moros would take no payment other than testoons and for these they agreed to give



COB COINS — Above: A Philip III 8-real round cob, a polygonal 8-real 1733 cob, and a 1730 4-real cob. Below: An undated irregular 4-real cob, a 2-real round cob, and dated 1-real and 1/2-real cobs.

one peso of gold for six of silver . . .” (5:364-365)

These early references to monetary transactions are important because of their apparent long-term effects on Philippine monetary nomenclature. The half-peso appears to have become the basic unit of counting, coming down to our day in the term “salapi”, meaning both a half peso and a generic term for wealth. (There is some dispute among scholars as to the origin of the word “salapi”, with some theorizing that it is a modification of “satu rupya” and therefore traceable to Sanskrit, whereas other authorities derive it from the Malay word “serpeh” and still others from the Chinese “cho pi”.) It is equally instructive to note that native terms for monetary denominations were based on the “salapi”, such as “kahati” (a half or 2 reales), “sikapat” (a fourth or 1 real), and “siko-

lo” (an eighth or a half real). (1:7-9; 2:3-4; 9:48; 12:33-38)

What particular coin was referred to in the Legazpi expedition’s mention of the testoons? They can have been none other than the 4-real coins of Carlos y Juana. We must recall that this was the year 1565, and the 40-year reign of Charles V (or Carlos I of Spain) had ended less than a decade earlier. But the Mexico City Mint kept striking these coins until 1572, when a change in coin design was effected well into the reign of Philip II. (14:24-25. See however 10:204 for a different opinion.)

In contrast to the attractive hammered coins of Carlos y Juana, somewhat un- gainly looking cobs now began to claim the center of the monetary stage until the appearance of the pillar dollars in

1732. Starting with Philip II, they came in various sizes. Of course, the most important one was the piece of eight, or the *real de a ocho*, or the peso, as it came to be known. This provided the basic monetary unit not only for the Spanish possessions but even for the countries outside the Spanish empire.

These cobs, while they tended in many instances to approximate round coins, were often cut to capricious shapes. They were struck not only in the 8 real size but also in other sizes such as 4 and 2 reales. Because of their irregular shapes, they were easily shaved or clipped and thus their weight was likely to be reduced by unscrupulous traders. This same irregularity however proved a convenience in

devising small change which was perennially in short supply. An eight-real cob coin could be cut in half to form two testoons or into four to form two-real cobs, and so on down the line. The smaller pieces down to a sixteenth or even a thirty-second part of a peso came to be known as "hilis kalamay" in the Philippines.

For about 150 years until 1732 and for a few years beyond that, therefore, these cob coins regularly sailed on the galleons from Mexico to the Philippines both to pay for the cargoes of the outward bound Manila galleons (mostly silk) and as a fiscal subsidy (the *real situado*) for the needs of the Spanish government in the Philippines.



PILLAR COINS — First column, 8 reales, reverse and obverse; second column, 4 reales and 2 reales; third column, 1 real and 1/2 real.



Carlos III Portrait Coins -- First column, 8 reales obverse and reverse, second column, 4 reales and 2 reales; third column, 1 real and 1/2 real.

PILLARS

In 1732 came the famous and beautiful pillar dollars which were to reign supreme as the international trade dollar during their 40 years of mintage and later. Even the English colonies on the American seaboard used these pieces of eight as their standard of reference and silver pesos called Spanish milled dollars in the United States, were legal tender in the United States until 1857. There is little need in an article such as this one to add to the voluminous documentation and colorful history of the pillar dollar. When Commodore Anson captured the *Covadonga* in 1743, he seized a whole shipload of such dollars. Twenty years later, although the British captured the outward bound ship, the *Santisima Trinidad*, with its cargo of silk and other goods, they missed the incoming *Filipino*. Its cargo of silver coins was successfully landed and conveyed to Simon de Anda

who, with Filipino troops, confined the British to the environs of Manila during the Seven Years War.

PORTRAITS

With the Bourbon Charles III, esthetics gave way to political centralization and possibly egomania. Perhaps this was a manifestation of the seemingly recurrent cycles in coinage between symbolism and representation. In place of the beautiful pillar design, the portrait of the Spanish king appeared starting in 1772 on the obverse of the coin. As Charles III and his successors were not particularly noted for their good looks — in fact, perhaps quite the contrary — the result was an esthetic disaster. Moreover, the silver content of the peso was somewhat reduced under the terms of a secret order given to the Latin American mints. A further debasement occurred in 1786. (6:106; 14:41) This is said to be one reason why

chopmarks abound on these portrait coins whereas they are seldom found on the pillar dollars. Chinese merchants handling silver from the New World now had to make sure what value in silver they were getting and to stamp their approval by means of chops. (Another reason given was the prevalence of English counterfeits of Carlos IV pesos. But this fails to explain chops on Carlos III coins.)

One coin which was minted during the time of the portrait coins without itself being one was the distinctive *cuartilla* or *cuartillo* issued between 1796 and 1816. These were 1/4 real silver coins with a castle on one side and a lion rampant on the other. For Mexican use, they had the mint mark, denomination and the year inscribed on them. Some, however, were minted specifically for Philippine use, and these omitted both mint mark and year. The order providing for *cuartillos* for Philippine use was given on December 19, 1769 but there is some vagueness about when it was carried out. Both varieties circulated in the Philippines. (2:6; 14:42-45)



Cuartillas or Cuartillos. At left, Castle without inscriptions, for Philippine use. Center, castle with date, denomination and mint-mark for Mexican use. Right, lion rampant common to both.



Obverse of a chopmarked Carlos IV portrait coin

From 1732 to 1810, variations in coin design had been fairly minor. There were some changes of detail on the pillar dollar and when the portraits came in, there were of course changes in the portrait of the reigning monarch. But with the outbreak of revolution in Latin America, a number of emergency mints were set up and the portraits of the king no longer were identical. A variety of busts of Ferdinand VII adorned the obverses of the coins in the final issues before the collapse of the Spanish-American empire.

REPUBLICAN COINS

As the era of colonial coinage came to an end, so also did the era of the Galleon Trade, which ended officially in 1815, and of private Mexican-Philippine trade, which continued until Mexican independence was definitely won in 1821. Thereafter, the Mexican coins that were to circulate were firstly those of the short-lived empire of Agustin Iturbide and then the long lasting cap-and-rays design of the Mexican Republic. With variations this was to last from 1823 until 1909. The only interruptions came during the Empire of Maximilian in 1864 to 1867 and during Mexico's attempt at decimal coinage with the so-called balance-scale design led by the 1-peso denomination in 1869 to 1873. The balance-scale peso, slightly



The different faces of Ferdinand VII — Above, two different Mexico mint portraits and one from Durango; below, portraits from Guadalajara, Guanajuato and Zacatecas.

smaller in diameter although it contained the same amount of silver, proved unpopular in the Asian trade and Mexico reverted to the 8-reales cap-and-rays design. This was decimalized with the substitution of the peso for eight reales in 1898 using a slightly modified design.

This was indicative of the conservatism of Chinese commerce. In a communication dated September 12, 1901, from E. H. Conger of the U.S. Legation in Peking to Secretary of State John Hay, it is stated: "The Chinese are very conservative and, although a silver coinage is needed, as shown by the large and constant importation of Mexicans, it is difficult to get a new coin into circulation. The old United States Trade Dollar, although superior to Mexican, failed for this reason.

"Custom is all but omnipotent. Though

Mexicans circulate in many places along the seaboard and in the Yangtze Valley, in other places (Nganhui) only old Spanish dollars (Carolus) will be taken, while in the interior in the North nothing but sycee is acceptable." (*Coin World*, May 19, 1976, p. 86. The Spanish dollars mentioned here were, of course, not made in Spain but in Latin America, and especially Mexico, before independence.)

One fact must be pointed out. During the Mexican vice-royalty, the Philippines not only carried on an active trade with Mexico but was also administered from it. With Mexican independence, both political and commercial ties were cut. Mexican-Philippine trade fell to only nominal sums. Mexican silver no longer reached the Far East as an adjunct to Mexican-Philippine trade, but as an item desired in itself because of its usefulness in Asian

Trade and its recognition as the successor to the pillar and portrait coins. The carriers of these coins were no longer the galleons of yore but Yankee clippers who would leave the northeastern United States with merchandise, sail down the east coast of Latin America and up its west coast disposing of their cargoes and picking up silver, and cross the Pacific to Manila, Canton or other ports in order to pick up Asian goods. As the 19th century wore on and the clipper trade in its turn declined, shipments were made from Mexico increasingly through London, the banking center of the world.

The official history of the Chartered Bank states that the Mexican peso was introduced into the China trade in 1854. (8:72) One may be permitted to doubt this assertion. Mexican republican silver was entering the Philippines and being

counter-marked from the 1820s, and as it circulated in the Philippines, there is every reason to suppose that it also circulated along the China coast. So pervasive was the influence of the Mexican peso that when the British established their Crown Colony of Hong Kong, they were unable to impose on it the gold standard prevalent in most of their empire but had to devise the colony's own coinage on the basis of the Mexican silver peso. (7:81; 8:73) When the Imperial Chinese Government started minting its own silver dollars in 1890, their weight and fineness were similar to those of the Mexican peso. Even the paper money of banks of issue in China could not prescind from Mexican money. A Banknote of the Sino-Belgian Bank of Shanghai dated July 15, 1912 carries the text: "Ten Mexican Dollars Local Currency To Be Paid On Demand To Bearer". (11:104)



Three types of pesos of the Emperor Agustín Iturbide. Above, obverses; below, reverses.



The Balance Scale or Standing Eagle series. Above, one peso, 50 centavos and 25 centavos. Below, 5 centavos, 10 centavos and the common obverse.



The widely used cap-and-rays coins. Above, obverse flanked by 8-reales type at left and peso type at right. Below: 1/2-real, 1-real, 2-real and 4-real coins.

With the change in Mexico's coinage in 1910, with the coining and printing of more adequate Chinese national currency, and with the increasing use of other currencies and more sophisticated means of international payment in the East Asian trade, the role of the Mexican peso dwindled. But there was a whimsical epilogue. In 1949, toward the end of the inflationary convulsions that beset the country, the Republic of China ordered the minting of 8 1/4 million Mexican silver pesos, about three-fourths of them struck in the Mexico City Mint and the remainder in the United States Mint in San Francisco, bearing the date 1898 and the Mexico mint mark. (3:153)

In the Philippines, the coming of America as the new colonizer brought in its wake the systematization of the somewhat disorderly currency conditions then prevailing with Mexican silver circulating side by side with silver from other Latin American countries, Spanish silver, and locally

minted silver. The Americans put an end to this situation by establishing the new Philippine peso, at that time called the Conant peso. By 1904 the Mexican peso, along with other foreign silver, was no longer legal tender in the Philippines.

GOLD

So much for silver coins. What about gold? In discussing Mexican coins, the focus is naturally on silver as this formed the bulk of the Mexican coinage exported overseas. There were however gold coins, especially from the colonial period, in the Philippines. It is very difficult to make an accurate assessment of their quantitative importance because over the years many were melted and others were turned in during the American administration when the United States authorities prohibited private persons from holding gold in the 1930's. However, from such coins as appear from time to time in the local numismatic market, it would seem that



Philippine counterstamps on Mexican cap-and-rays coins. Above — Manila 1828 counterstamp, F. 7. ^o counterstamp and YII counterstamp on 8-real coins. Below: YII counterstamps on 1-real, 2-real and 4-real coins. Counterstamped minor coins are quite rare.

although there were gold coins of Mexican mintage circulating in the Philippines, there were more from other Latin American mints, especially from Colombia, Peru and Chile.

In any event, the need for gold coins was met in the third quarter of the 19th century by the local mintage of the Isabel series, and Mexican gold never played the important role in either international or Philippine domestic trade that Mexican silver did for such a long time.

MEXICAN MOTIFS IN PHILIPPINE FOLK NUMISMATICS

Although Mexican silver pesos were demonetized as legal tender in the Philippines early in the 20th century, their influence continued in quite an unexpected direction. This was in the field of



The silver peso of the Emperor Maximilian, obverse and reverse.



1912 note of Sino-Belgian Bank in Shanghai, showing dependence on Mexican dollar.

what, for lack of a better term, may be called folk numismatics. The principal Mexican coin motifs of the 19th century, namely, the cap-and-rays, the balance-scale and the eagle-on-cactus, have all been used by the makers of *anting-antings*. These amulets, often using as planchets Mexican pesos themselves, were struck by local craftsmen with designs and inscriptions supposedly tending to promote the good luck properties of the charm, and probably also corresponding to certain features of folk beliefs or even a system of such beliefs elaborate enough to merit the appellation of a folk religion. Most *anting-antings* have fanciful dates on them such as "Roma 1101". Many of them have the inscription "Un Peso Sagrado Y Verdadero."

This inscription (with "peso" sometimes corrupted to "pero") is on the face of some *anting-antings* which carry the lower part of the balance-scale design, but the upper part has the crossed flags of the Katipunan in place of the liberty cap. The date inscribed is 1890, which can be taken as fanciful since at that time the Katipunan did not exist. Another *anting-anting* design has a more complete rendering of the balance-scale design

including the liberty cap on top, but the inscription is somewhat unusual. It reads: "Un Peso Sagrado Y Libertad, " and carries the mythical date 1770.

The eagle-on-cactus motif on other *anting-antings* carries the date 1872 and the inscription "Republica Mexicana". Like the balance-scale design, the reverses of these amulets feature St. Joseph either alone or with the Child Jesus, or with Jesus and Mary. One particularly interesting variant, however, has the eagle-on-cactus without a date and with the standard inscription "Un Peso Sagrado Verdadero".

Finally, the cap-and-rays design has appeared on at least two amulets, one of St. Joseph and the other one of St. Anthony of Padua. Both carry the mythical date 1770 and the inscription "Roma y Libertad" around the border, with the word "Buenas" in place of "Libertad" of the standard Mexican design at the base of the Liberty cap.

The date of manufacture of these *anting-antings* is indeterminate. Some may be quite recent. The inclusion of Mexican coin motifs on them testifies to the lasting impact made by Mexican coinage on Philippine numismatics.





Anting-antings incorporating Mexican coin motifs

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BARRILLAS AND TLACOS

by Lita Ganzon



BARRILLAS

L-R: 1728, 1733, 1743 & 1766

During the past two or three years certain pieces have appeared on the local numismatic scene, undocumented in available historical records and indiscriminately called “barrillas” in the collectors’ community. Some of these have attained the status of recognition by being included in a well-known reference book. The problem of identifying, and let alone authenticating these pieces by proper documentation will probably never be solved to everyone’s satisfaction. In this article we would like to point out the similarities between the unidentified pieces unearthed in the Philippines and the “tlacos” and hacienda tokens of Mexico. In reviewing the history of the latter and the circumstances which brought them about we might gain a perspective on our own so-called “barrillas.”

We know that lack of fractional coinage was always a problem in the Spanish colonies. Considering that the average wage for a laborer was one peso or 8 *reales* a month, while a skilled laborer such as a carpenter might earn a daily wage of $1/2$ *real*, and that the smallest circulating coin for a long time was the $1/2$ *real*, one can imagine the problems occasioned by petty transactions for daily necessities. Since coinage problems here paralleled those of Mexico from whence our own circulating coinage originated, let us look at what happened in Mexico.

Don Antonio de Mendoza, the first viceroy of New Spain and founder of the Mexico Mint, authorized minting of copper coinage in 1542. Copper coins of 2- and 4- *maravedis*, respectively, were

minted on the basis of 34 *maravedis* to the *real*. The copper coinage was so unacceptable to the indigenous population that the Indians reportedly used to throw the copper coins disdainfully into the lake and continued to trade with primitive monies, e.g. cacao beans. This disdain of copper coinage led to a refusal by the authorities to mint copper coins for almost two and a half centuries.

Early in the 18th century, private issues of tokens began to appear in Mexico which were meant to fill the need for fractional coinage. These tokens were called “*tlacos*,” originally equivalent to 1/8th of a *real*, and divisible into two “*pilones*,” worth 1/16th *real* each. Eventually the idea of issuing tokens caught on, and many establishments issued their own tokens, none of which were interchangeable. By about the end of the century it was estimated that more than 1000 kinds of such tokens were in circulation.

This practice of issuing tokens led to many abuses since the issuer could place whatever value he wanted on them, and the receiver was forced to spend them in the same place as they were unacceptable at other stores. Also, if for some reason or another the issuing establishment closed down or ceased to function, the corresponding tokens became completely valueless.

There were many occasions when various urgent requests were made to the King to suppress the issuance of *tlacos* and *pilones*, but necessity continued to be the mother of invention, and the use of these tokens continued until well into the 19th century. In the 20th century tokens came into use again during the revolution.

The *tlacos* and *pilones* were usually crude pieces displaying a variety of shapes, forms, and inscriptions. There was also a great variety of materials used in their manufacture, and there were *tlacos*

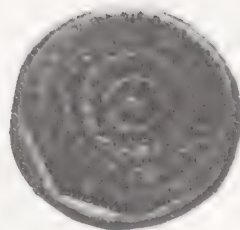


“Tlacos”



Various Mexian Tlacos





of copper, lead, bronze, tin, iron, wood, nickel, cardboard, aluminum, glass, stone, and even animal bone and soap. They seldom bore any indication of value or date of issue, which has made dating these pieces extremely difficult in most cases. Some hacienda tokens are inscribed with numbers but in most instances it is difficult to determine what actual value the numbers represented. The *tlacos* were of various shapes, and were usually inscribed with the name or initials of the issuer, sometimes with the name of the street or location of the store. Others bore the insignias of the haciendas where they were issued for use in the "company store."

The *tlacos* must be differentiated from municipal issues which resemble tlacos but which were sanctioned by regional authorities and which were valid for use within the region, municipality or state. These were usually inscribed with the name of the state or municipality and were backed by municipal or state funds.





Unidentified pieces

These “necessity pieces” could always be redeemed at full value with the local authorities, in contrast to the *tlacos* which were often devalued at redemption, if they were redeemed at all.

Having reviewed the history of the *tlacos* in Mexico, let us look at the situation in the Philippines during colonial times. Monetary problems here paralleled those of Mexico. As in Mexico, local authorities resorted to the private manufacture of copper coins towards the latter half of the 18th century, and we have the *ochavos* and *cuartos* of that period (1771-1835). Historical documentation is available for the 1766 “*barrilla*”, and the 1728 uniface specimen, though not historically documented, bears the term “*barrilla*” so we know that the term was in use at that time.

It is not only possible but highly

probable that tokens were issued privately during the intervening years to be used as fractional coinage. It is also possible that some of the Mexican “*tlacos*” found their way to the Philippines. In either case, these pieces would be and should be classified as *tokens*.

We leave it to the reader to decide for himself if the local “*barrillas*” can or should be equated with the “*tlacos*.” The next question is what the *barrillas* are worth in today’s numismatic market. The answer to that is something the collector must decide for himself. Obviously the value of any item is what another person is willing to pay for it. The only word of caution we would like to pass on is to remind the collector that these crude tokens have always been easy to falsify, easy to manufacture, and at the moment, impossible to authenticate. As the ancient Roman said, *caveat emptor!* □

FIRST PAPER CURRENCY IN THE PHILIPPINES

by

Carlos Quirino

Editor's Note: Mr. Quirino, president of the Philippine Chapter of the International Association of Historians of Asia, has just finished writing the history of the Bank of the Philippine Islands. His previous contribution to this magazine has been "Coins and Paper Money of the First Philippine Republic" in the January 1975 issue.

The first bank notes issued in the Philippines were those made for the Banco Espanol-Filipino de Isabel II in 1852. Although it was not a government corporation, the Banco was the only entity to issue paper money during the entire Spanish regime (with the possible exception of the 1877 Treasury Note which will be mentioned later). It might not be amiss here to glance at conditions that led to its issuance and the establishment of the first commercial bank in the islands.

The first financial institutions in the country were the *Obras Pias*, religious houses that had amassed capital from bequests of the early Spanish residents in Manila. The money thus gathered was used to finance the galleon trade that plied between Acapulco, in Mexico, and Manila. They also loaned money to

traders engaged in the China, Coromandel and Indonesian commerce — but at lower rates of interest since the risks were not so great. These eleemosynary institutions charged as high as 50 per cent interest for voyages to Acapulco, while ventures to India were charged from 16 to 22 per cent, and those to China from 12 to 16 per cent.

The *Obras Pias* were performing the task of marine insurance companies and commercial banks by financing many of the operations of the Manila-Acapulco galleons in the seventeenth and eighteenth centuries. The high premium on advances was in reality more of a return or profit on investment, than interest on loans as it is generally understood today.

The leading religious institution at that time was the *Hermandad de la Misericordia*, or Brotherhood of Mercy, which



was founded in 1596. Other charitable institutions were the San Juan de Dios founded by the Hospitallers of St. John, and the tertiary branch of St. Francis, a branch of the Franciscan order. Between 1734 and 1766 these institutions invested a total of 3,317,787 pesos in the galleon trade. The success of these pious houses spurred other convents and religious entities to engage in the same business, such as the cathedral chapter of Manila, the Dominican, Recollect and Jesuit orders, and others.

The cessation of the Acapulco-Manila trade in 1825 diminished the volume of business of the *Obras Pias*, while the appearance of foreign commission houses at that time cut in sharply on their activities. Among these foreign firms were Butler, Sykes & Co., Ker & Co., Holliday, Wise & Co., all managed by British nationals, and the American houses of Peele, Hubbell & Co. and Russell, and Sturgis.

The *Obras Pias*, which had existed in

Spain centuries earlier than in the islands, were apparently in disfavor with the central government in Madrid, for they competed unduly with private individuals in Spain who were engaged in the same business. A year after the arrival of the new Governor General, Antonio de Urbis-tondo, Marquis of Solana, in 1851, he issued a decree eliminating three out of four of the score of confraternities, and lumped the remaining institutions under the collective name of *Obras Pias*. Then he created the Banco Espanol-Filipino de Isabel II on August 1, 1851. The approval from Madrid, however, took several months, and the bank did not commence operations until nearly a year later, on May 1, 1852.

The capital of the bank was placed at 400,000 pesos divided into 2,000 shares of 200 pesos each. The *Obras Pias* were made to subscribe to one-half of these shares, while the other half was available to the public. The shares of the former were made non-transferable and inalien-

able, while the shares of the latter could be sold or transferred in any manner allowed by law unless attached by a judicial decree.

This was the first commercial bank in the Philippines. Foreign commercial banks, like the Hongkong & Shanghai Banking Corporation and the Chartered Bank of India, Australia and China, did not open their doors until the 1870s.

Prior to the establishment of the Banco, a private financial firm was started in Manila by Francisco "Kiko" Rodriguez, a wealthy mestizo widower who had been deported to Spain together with Domingo Roxas (scion of the Roxas, Ayala, Soriano and Zobel families), the three Bayot brothers, all officers in the colonial regiment, Presbyter Miguel Fernandez de Luna, master of ceremonies of the Manila cathedral, Jose Ortega, factor of the Real Compania de Filipinas, the government-owned trading house, and Luis Rodriguez Varela, former mayor of Tondo and self-styled "El Conde Filipino". These twenty-odd prominent residents of the city were suspected of disloyalty to the government, and exiled in 1823 under the broad powers of the governor general to exile whomever he pleased without any hearing and much less a trial. After suffering great privations while in Spain — his properties had been placed under preventive embargo — Rodriguez managed to escape to London where a Quaker community took pity on him. He became a Quaker and a British national. All of the suspects were freed in due time and the embargo lifted. Soon after his return to Manila in 1828, he opened a firm that loaned money only to those who competed in business with the Spaniards. He refused to speak any other

language than English, and wore the quaint custom of Quakers in the Catholic circles of Manila. The competition he offered must have hurt the religious financial groups, for the authorities tried to deport him. But as he was a British subject and could not be shipped out without due cause, he remained a thorn in the side of the religious orders.

Another private banking house was opened some years later by Damaso Gorricho, a wealthy Spaniard who had been educated in Paris. A third financial firm was started by Mariano Tuason, scion of the present Tuason family and whose father, a Chinese mestizo, originally named Son Tua, had raised a battalion of loyal volunteers during the British invasion of the Philippines. These three private firms had their names spelled *banca* rather than *banco*, a difference in terminology reflecting on the business they conducted — that is, to advance money against crops, discounting, and making loans — whereas a *banco* would be in the business of accepting deposits, making loans and advances on bills of exchange and discounting, the true essence of commercial banking. All three private *banca*s eventually closed within a decade after the Banco Espanol-Filipino started operations.

Not until early 1855 did the Madrid government release a decree authorizing the Banco to issue notes up to three-fourths of its subscribed capital, or a maximum of 300,000 pesos. Meanwhile, the bank was permitted to issue paper money for only 100,000 pesos, until such time as the capital stock was entirely subscribed. The bank therefore issued the

following notes:

250 notes, series A, at 200 pesos each
500 notes, series B, at 50 pesos each
600 notes, series C, at 25 pesos each
1,000 notes, series D, at 10 pesos each

T O T A L . . . 100,000 pesos

No record can be found today as to where these notes were engraved and printed, although it is believed that they were made either in Paris or London by specialists in the field. The series all bore the date of the bank's founding, and were signed personally by Carlos Groizard as the royal commissioner, Tomas Balbas as director and concurrently general manager, and Jose Celis as cashier. Groizard was the third of the royal commissioners. Obviously each governor general appointed his own man to this remunerative and prestigious post. Balbas had succeeded Jose Maria Tuason who had died of a heart attack. Tuason had managed successfully his father's *banca* and was the best qualified to act as the first general manager of the new Banco Espanol-Filipino.

The notes were believed to have been ordered late in 1852, but were not signed by the three officials until the royal authorization was received in 1855, and most probably not released until that year or early the following year. These notes had two stubs to the left and right of the paper. The left stub contained the date of actual emission to the buyer or holder, together with his or her name. Incidentally, the bank has an incomplete set of these early paper currencies issued

under different dates, while the Central Bank of the Philippines acquired some years ago a set of paste-ups and printer's proofs of the 1896 and 1904 issues from a London antiquarian. The first 10-peso bank note, bearing the number 0001 was acquired by the late Santiago Freixas, president of the Bank of the PI, from the grandson of Manager Tomas Balbas, who had apparently treasured it as a souvenir of his administration. All these Spanish paper currencies, together with subsequent notes issued during the American regime, are kept in the steel vault of the bank.

The four denominations varied in the color of the paper used: yellow for the 10 pesos, blue for the 25 pesos, pink for the 50 pesos and white for the 200 pesos. The wording on the face of the papers stated that the bank "upon presentation of this note will pay the bearer . . . pesos fuertes." The term "*pesos fuertes*" meant Mexican or Spanish silver pesos, as differentiated from the debased silver circulating at that time in the Far East. The former was about two *reales* or 25 per cent higher in value than the latter. No wording appeared on the reverse of the notes for the 1852, 1865 and 1883 series.

To inform the Philippine public of the Queen's decree approving the issuance of paper notes, Governor General Manuel Crespo on February 16, 1855 published a *bando* or proclamation which appeared for 20 consecutive days in the Official Gazette stating in part that all these notes had the device of the bank as a watermark, and bore the printed portrait of Queen Isabel II. Furthermore, "these notes shall be exchanged for gold or silver coins in the treasury of the bank on all



Final proof approved by Manager Eugenio del Saz Orozco of the Ten-Peso bank note of the Banco Español-Filipino issued in 1896. This and the 1904 notes were printed in London by Barclay & Fry Ltd.

days that are not official holidays, from 9 to 12 a.m.," "the bearer shall be recognized as the owner of the note and no claims relating to notes lost or stolen will be admitted;" "nor will the bank exchange notes presented with the number erased or the signatures or any other sign necessary for identification be erased or cancelled." Heavy fines and imprisonment were to be meted counterfeiters.

One of the periodic shortages of silver coins in the islands took place shortly after the first bank notes came out. Large importations of foreign goods in 1857 resulted in an imbalance of foreign trade, with the resulting local scarcity of coins. For the first time in many years, rice was not exported to China, and the local producers from Pangasinan and the Ilocos provinces were left with half a million cavans of rice in their warehouses. To pay for the imports, large shipments of coins had to be sent abroad. Furthermore, government income was curtailed by the fact

that no land taxes had been provided by law. Whatever expenditures the government had made had to be met with payment in specie.

The abundance of raw gold from California was given as the excuse for the shortage of coins in the archipelago, for it caused the price of that metal to plunge, and silver was exchanged for gold. To offset this reduction, colonial authorities even permitted the payment in gold of tobacco owned by the government under the monopoly existing at that time.

In June 1857 Governor General Fernando de Norzagaray opened money changer offices in Intramuros and the suburbs to relieve the coin shortage. The Treasury soon ran out of coins, and the offices closed. A royal decree of October 29, 1857 authorized the establishment of the Casa de Moneda or mint, but since the stamping and other machines had to be secured from Europe, the mint was not opened until four years later, on

March 19, 1861.

The exact number of silver coins in circulation in the Philippines at that time has not been determined, but some two or three million pesos must have been on hand. When the imbalance of trade occurred, this amount soon disappeared. The money crisis continued in 1858 and the Banco found it necessary to withdraw some of its notes from circulation as a temporary measure to prevent undue harm caused by the coin shortage. The bank began disbursing silver pesos in exchange for its notes. Ten silver pesos were exchanged for the lowest denomination, the 10-peso note, but only nine for the 25-peso note, two for each 50-peso note, and eight for the 200-peso note. This method forced holders of notes with large denominations to keep them, while the holders of the lowest denomination got their full value in silver coins. By this means, the bank was able to furnish its customers with silver without their having to pay a discount. Private money changers had offered to exchange these notes with coins, but at a huge discount.

"These coin disbursements were very detrimental to the institution," said the bank's annual report for 1858, "as they exhausted what little silver the bank had for its most peremptory needs, in addition to the loss involved in the acquisition of the silver, for which interest -- which at times ran as high as 30 per cent -- had to be paid."

The resourceful Banco's management, however, minimized the resulting loss in exchange by reissuing the notes that had been turned in with a printed stamp on the reverse reading "Payable in silver or subsidiary gold coins." Holders of these



Commemorative medal issued for inauguration of Manila mint

reissued notes could then present them and were paid either in silver or gold without any charge. Incidentally, the great bulk of these notes circulated only the city and its environs, in the area now known as Metro Manila. Provincial folk preferred to keep their savings in gold and silver coins rather than paper money.

Travelers to China had noted that Spanish silver coins with the busts of Carlos III and Carlos IV commanded a premium of from 10 to 12 per cent of their face value. Governor General Pavia therefore recommended in 1854 that a Casa de Moneda be established in Manila for the purpose of minting special coins for the islands. The famous 8 *reales*, or "pieces-of-eight," or *Dos Mundos* silver coins prevalent in the eighteenth century colonies of Spain were fast disappearing because of their high silver content. The then current silver coins came from

Mexico, Peru, Colombia and Bolivia. They had been counterstamped with either F7.⁰ for Ferdinand VII, or Y.II for Isabel II, to make them legal tender in the islands after the former colonies of Spain in South America had declared their independence in the 1820s.

Governor Narciso Claveria had earlier ordered that silver coins of the 4, 2, 1 and 1/2 *real* denominations be admitted for circulation, "although they might contain Chinese characters (chop marks) as long as the bust of His Majesty and the coat-of-arms of Spain can be distinctly recognized and do not contain holes or have their edges shaved." Chop marks were made by Chinese money changers abroad to denote the genuiness and fineness of the coin thus marked. The provision against coins with holes or that "were more or less worn out" was abrogated a fortnight later by the governor general. Apparently, practically all the coins currently in circulation had these defects, and Claveria realized that to ban them would freeze all money transactions.

The royal decree permitting the creation of the bank included a provision as to how new bank notes were to be released and old ones to be disposed of. Each of the series was to be bound in packets of 500 of each denomination. These packets were turned over to the bank cashier who would remove the outer stub for record purposes. Once worn out, the cashier had to gather them in totals of 5,000 pesos, inform the general manager and hand him the list which would then be transmitted to the government authorities, who would decide on their substitution with new ones. The new notes were to have the same numbers as the old

ones, which were to be burned in the presence of government and bank officials.

The Casa de Moneda began issuing gold coins of 4, 2 and 1 peso denominations with the bust of Isabel II on the face, and the word "Filipinas" at the bottom of the obverse under the coat-of-arms of Spain. The mint had been instructed to use whatever gold coins of South America or foreign make were available, and strike them into the new forms. Some 183,220 pieces of the 4-peso coins were struck in the first year,



4 Pesos



2 Pesos



1 Peso

Gold Coins of Isabela II

264,661 of the 2-peso coins, and 247,136 of the small (15 mm. in diameter) one-peso coins. Although more than 2,000,000 of these coins were struck from 1869 to 1874, they were all dated 1868. Collectors estimate that nearly five million and a half pesos worth of Isabel gold coins were struck by the Manila mint.

Silver coins, issued first in 1864 by the mint, consisted of 10, 20 and 50-centavo pieces. The output was limited, and the value was based on the silver Mexican peso.

"The economic tide which resulted in the eventual collapse of the local minting program initiated in the 1860s was a world-wide fall in the price of silver in relation to gold," stated Aldo P. Basso, an avid Filipino-American coin collector. "As silver depreciated, Philippine gold pesos were exported or simply melted down in spite of government edicts."

In the 1870s and 1880s, there occurred another shortage of money in circulation. As a means of meeting the shortage, silver coins were struck in the Spanish mints for use in the colony. The largest such consignment, made around 1897, was 6,000,000 silver pesos struck in Madrid and marked "Islas Filipinas". These carried the bust of the young King Alfonso XIII.

The shortage of money was probably caused by the far-flung results of the American civil war that occurred from 1861 to 1865. Gold, which had been plentiful with the opening of the California mine fields during the preceding two decades, now zoomed in price. Quoted at \$102.5 per ounce in 1862, the

price rose to \$170 the following year and to \$285 the year after that. The money exchanges in Europe went wild. The balance of Philippine trade was adversely affected as the United States cut down its imports of hemp and sugar. The purchase of bills of exchange was suspended by the Banco which found itself — after some months — glutted with ready money. The situation was the opposite of what it had been in 1857-8. The managers of the Banco and other financial houses in Manila bought gold bullion at the average price of about 250 pesos an ounce, as a hedge against the further depreciation of silver.

Stockholders of the Banco Espanol-Filipino at a general meeting in 1863 approved the increase in capital from 400,000 pesos to 600,000 pesos. About a year later a royal decree authorized this increase. But the directors of the bank deemed it prudent to delay the increase until three years later, because of the excess of ready money in the islands. This decree also permitted the issuance of paper currency in an amount double its paid-up capital, with the same denominations and colors. Nevertheless, the new notes were not released until much later, although the date on the face of the paper bore the year 1865.

The Spanish revolution of 1868, leading to the abdication of Isabel II, resulted in a decree issued by the Governor General on September 3, 1869, dropping the name of the Queen from the bank and from the bank notes it would thenceforth issue. The third issue of notes in 1883 therefore carried the new name of the corporation as simply "Banco Espanol-Filipino." The sizes of the paper currency

were also made smaller to fit the leather wallets of holders. New denominations of bills were introduced by adding the 5 and 100-peso notes. The colors were now dark cream for the 5-peso bill, yellow for 10-pesos, blue for 25-pesos, rose for 50-pesos, green for 100-pesos, and white for 200-pesos.

The colonial government issued Treasury notes on April 26, 1877, when it found itself short of funds, and made these 25-peso notes available as security for loans at four per cent interest. At about this time, the Banco had more than half a million pesos in bank notes in circulation and was preparing to increase the amount to 800,000 pesos – which it did in 1883. More notes were issued in the next dozen years.

A fourth issue of bills took place on June 1, 1896, the year when Andres Bonifacio started the Philippine Revolution. The armed conflict disrupted to some extent the commercial life of the colony, but by the end of 1897, conditions had returned to normal. The firm of Barclay & Fry, Ltd. of Southwark Street, London, made the plates and printed notes which the manager, Eugenio del Saz Orozco, personally supervised. His signature appears on the left stub of some of the corrected proof notes exhibited at the Money Museum of the Central Bank. The right-hand stub apparently had been discontinued because it must have been found superfluous.

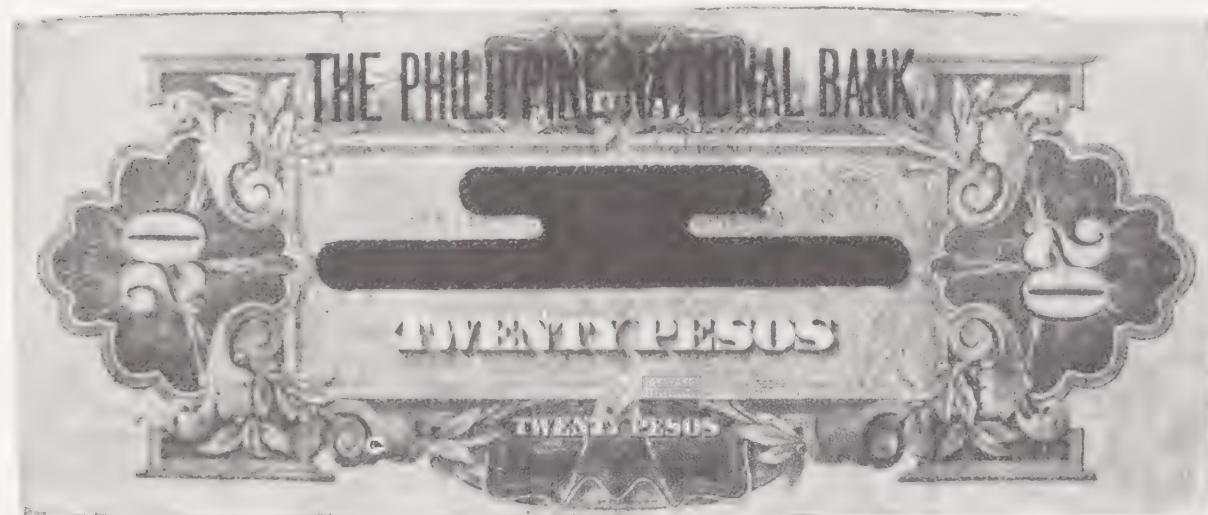
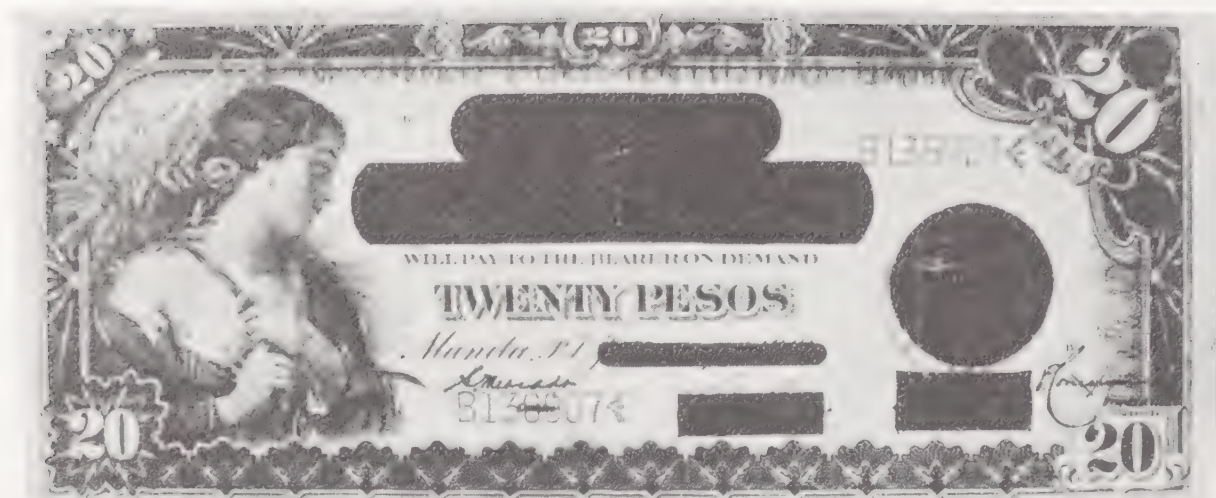
The arrival of the Americans in May 1898 resulted in a “run” on all Manila banks, as depositors withdrew their money in silver and gold coins. After all, they reasoned out, bank notes were just so much paper while silver and gold

would always retain their basic value. Some 800,000 pesos were taken out from the banks.

In August, just before the Americans entered the Walled City, another “run” took place, involving around two or three hundred thousand pesos. Three months later, in November 1898, a third “run” took place that lasted for about two or three days, and involved a total of about 150,000 pesos. A record was kept of such notes and these were burned from time to time by the bank officials following the procedure prescribed by its charter. As of July 1901, the total issues outstanding in the lower denominations totalled 192,000 pesos, while the total amount of paper money in circulation as of September 1901 was 2,154,450 pesos.

The panic conversion of banknotes into coins in 1898 almost ruined the Banco Espanol-Filipino. The two English banks, the Hongkong & Shanghai Banking Corp. and the Chartered Bank, agreed to honor the paper currency of the Banco to the extent of 300,000 pesos in order to check the scare. The exchange from paper to silver was limited to the two smallest denomination notes, so that holders of the larger denominations were left with their unredeemed notes and had to wait for better times.

The change in sovereignty in 1898, from the Spanish to the American, raised the question of whether or not the Banco was still authorized to print notes for circulation. Commissioner Henry Ide of the Finance department claimed that the issuance of circulating notes should be the exclusive privilege of the Insular Government, while the Banco insisted that the transfer of sovereignty did not nullify



Due to the shortage of bank notes from its printer in the United States during the first World War, the Philippine National Bank used the notes of the Bank of the Philippine Islands by inking over the name and seal of the BPI, and printing its name on the back.

the privilege given by the bank to guarantee its notes still in circulation, and that a tax of half a per cent annually be imposed on such existing notes.

Feeling that the sentiment of the American authorities was against them, the Banco began withdrawing its circulating notes in the amount of 400,000 pesos in 1900 and 463,720 pesos in 1901, thus leaving about 180,000 pesos outstanding in 1902.

Finally, the Congress of the United States passed a law on July 1, 1902, concerning the money circulating in the Philippines. The Banco was allowed to continue printing paper currency to three times its paid-up capital, while the Insular Treasury was ordered to print the so-called Silver Certificates in the 2-, 5-, 10-, and 20-peso notes. Later, from 1906 to 1916, the Treasury issued the higher denominations of 50, 100 and 500 pesos.

The images appearing on the face of these certificates were those of Rizal, McKinley, Washington, the Mayon Volcano, Lawton, Magellan and Legazpi, respectively. A description of these notes, together with the amounts and dates issued, have been recorded by Neil Shafer in his *A Guide Book of Philippine Paper Money* published by the Whitman Publishing Co. of Racine, Wisconsin, in 1964. This series was thus called because the notes would be redeemed "in silver pesos or in gold coin of the United States of equivalent value."

These government notes were released in October 1903, beating the Banco's new issues by about eight months. The Banco's new notes, dated June 1, 1904, omitted the word "*fuertes*" after the word "*pesos*". The same denominations as in previous issues appeared, except that the colors were changed as follows: light rose for the ₱5, dark blue for the ₱10, violet for the ₱25, green for the ₱50, yellow for the ₱100, and white for the ₱200. The signatures of the bank's officers were now engraved on the plate itself, rather than individually affixed by hand on each note. These officers must have breathed a sigh of relief, for it saved them from having writer's cramps.

To accelerate the retirement of the old Banco currency, the government offered a 10 per cent bonus to holders if exchanged with the new silver certificates. Naturally, there was a rush to exchange the old certificates for the new. This explains why the Spanish issues of the Banco are such rarities today.

The controversy between the Banco and the insular government regarding the

issuance of bank notes was finally resolved by the Philippine Commission (the legislative body) when it passed Act No. 190 on October 17, 1907, which authorized the issuance of a maximum of ₱9,000,000. The amount of the release depended upon the amount of paid-in capital. The corporate existence was extended for 25 years, starting in January 1903, renewable at the request of the stockholders. The bank's name, however, was anglicized to "The Bank of the Philippine Islands." The 1908 series of the Banco retained the old name, but beginning 1912 the anglicized name appeared on all paper currencies it issued. A description of these and subsequent series, including the color of the paper used and the signatures of the officials involved, appears in Shafer's book. Incidentally, the Bank of the PI in these series (1912, 1920, 1928 and 1933) used the image of a buxom Spanish lady on its face, in different attires and poses, while only the name of the bank and the amount of the note were printed on the reverse. The seal of the bank remained the same, printed on the face of each note.

The Philippine National Bank, which celebrated this year its 60th anniversary, began issuing its own bank notes starting in 1916 in various denominations. The critical shortage in coins during the first World War forced the PNB to issue emergency circulation notes in the 10, 20, and 50-centavo and the one-peso denominations in September and November of 1917. This one-peso was the first of its kind issued under the U.S. administration preceding the regular one-peso notes of the insular government by a year.

The shortage in coins must also have affected the issuance of the PNB notes, for it overprinted a part of the 5, 10, and 20-peso 1912 notes of the Bank of the PI, by blacking out the name of the latter and printing its own name at the back. The names of President Venancio Concepcion, and Cashier S. Mercado, replaced those of Jno. S. Hord and Domingo Garcia, respectively. These BPI and PNB notes are considered by collectors as of the highest rarity, on a par with the early Spanish series.

The last series of paper currency issued by the Bank of the Philippine Islands occurred in 1933, because in January 1943 the corporate life of the BPI expired under Act No. 3330 of the Philippine Legislature. Chairman Jorge B. Vargas of the Philippine Executive Commission issued Executive Order No. 111 on Dec. 12, 1942, requiring the withdrawal of the outstanding notes of the BPI by having it deposit ₱100,000 the following January and ₱300,000 a year later in 1944. Since the bank's vaults were bulging with Japanese military scrip, the bank obtained permission of the Commissioner of Finance to deposit with the Insular Treasury an additional ₱800,000 for the redemption of the last of the circulating notes that it had issued for the past 90 years.

President Jose P. Laurel of the second Philippine Republic issued Proclamation No. 5 calling for the withdrawal of such notes and fixed the deadline at 90 days in Metro Manila and 180 days in the provinces. Laurel stated that only ₱1,350,000 of such notes were still outstanding, and since this amount had already been deposited by the bank with the National Treasurer, the government assumed the obligation of redeeming them. However, the government would not assume any obligation with regard to notes still extant (estimated at ₱70,097.50) issued under the name of the Banco Espanol-Filipino. Presumably, these had already been redeemed during the first decade of the American occupation of the Islands, or had been lost or destroyed during the Philippine Revolution and the Philippine-American war.

Meanwhile, the Japanese military authorities began to turn out their scrip in the billions of pesos, thus increasing inflation to unprecedented heights. What happened to these notes, and to the paper currency after the second World War is another story. But after 1933, the oldest commercial bank in the Philippines ceased to print and issue bank notes. During a period of nearly 90 years, the paper currency of the Bank of the Philippine Islands had served well in the development of the economy of the country. □

SAVE IN BANKS

THE AZTEC CALENDAR

by
Angelita G. Legarda



Mexican 1-Peso Banknote with The Aztec stone calendar featured at the center.

The one-peso Mexican banknote depicts the Aztec stone calendar. The calendar is one of the most famous archaeological finds and one of the finest expressions of Aztec art. It was carved on a stone disc 13 feet in diameter weighing 5,700 pounds, required 52 years of work, and was much more advanced than the Greek, Egyptian, or Gregorian calendars. The stone stood in the Great Temple of Tenochtitlan, site of the present Cathedral of Mexico City. It was deliberately buried by the Spaniards in the Cathedral atrium and forgotten until 1790, when it was dug up and installed at the base of

the cathedral's west tower. In 1885 it was transferred to the museum, and is now located in the beautiful and ultra-modern National Museum of Anthropology in Mexico.

The Aztec calendar was the same as the Mayan which preceded it, and was based on 18 "months" of 20-day periods, plus five extra days "out of calendar" to form a 365-day year. There were various systems used to calculate and express the passage of time. Time for the Aztecs was not an abstract phenomenon but a personified being, related to the gods. Each division of time was considered a definite






















object, carried by divine messengers represented by numbers. In Aztec mythology, there were "Companions of the Day," gods who presided over the hours of daylight, and "Companions of the Night," gods who watched over the nighttime hours. Time and the calendar played an important part in their mythology and religion. For example, the 5 extra days added to make up the year were called *Nemontemi*, and the Aztecs believed that what they did during these days they would do forever, so they were careful during these days not to quarrel, not to trip when they walked, not to sleep during daylight hours, and not engage in any unpleasant activities. On each initial day of a 20-day period, a great festival was held in the temples, and sacrifices were offered.

Within the cycle of the earth about the sun, the Aztecs also had a system made up of 20 groups of 13 days each, or 260 days. This period was called the *Tonalpohualli* or *Tonalamatl*, "the count of days." According to this system, any given day sign would occupy the same place in the 13-day "week" only once in 260 days, and this point of time was a very significant one for ceremonial and magical purposes.

Another very important division of time was the 52-year cycle, called "the calendar round." The Aztecs, like the Mayas before them, believed that "history repeats itself" in cycles of 52 years, at the end of which the sun had to be revived or creation would end. At the end of the 52-year cycle an extra, intercalary period, sometimes of twelve, sometimes of 13 days, brought the calendar into line with the position of the sun

among the stars. This period was a significant one in their mythology and religion, and was a time of fasting, penitence, and sacrifice before the start of the next calendar round. Burland and Forman describe it thus:

"A year of 365 days, however, does not precisely fit the movement of the earth around the sun, and the Aztec priests were aware of the small discrepancy. They made this up in two ways. The first was arranged for the farmers, whose crops must be kept within very close limits to the proper season of the solar year. A leap year was therefore instituted for agricultural purposes, so that every four years an extra day was added, and the ceremonies adjusted accordingly. But for the actual year reckoning, the days were accumulated, and at the end of a period of 52 years, there had to be a correction of 12 days. So, 52 years after the beginning of the calendar round, there was an important festival, lasting over 12 days, which was a time of fasting and penitence. Then, on the midnight of the last day, the priests watched for the overhead passage of the star Aldebaran, known to the Aztecs as the Star of the Fire-Making. As it reached the zenith of the sky, a prisoner was stretched out, his heart removed, and in its place a piece of wood was laid on a plate of turquoise. On this the priest kindled the new fire.

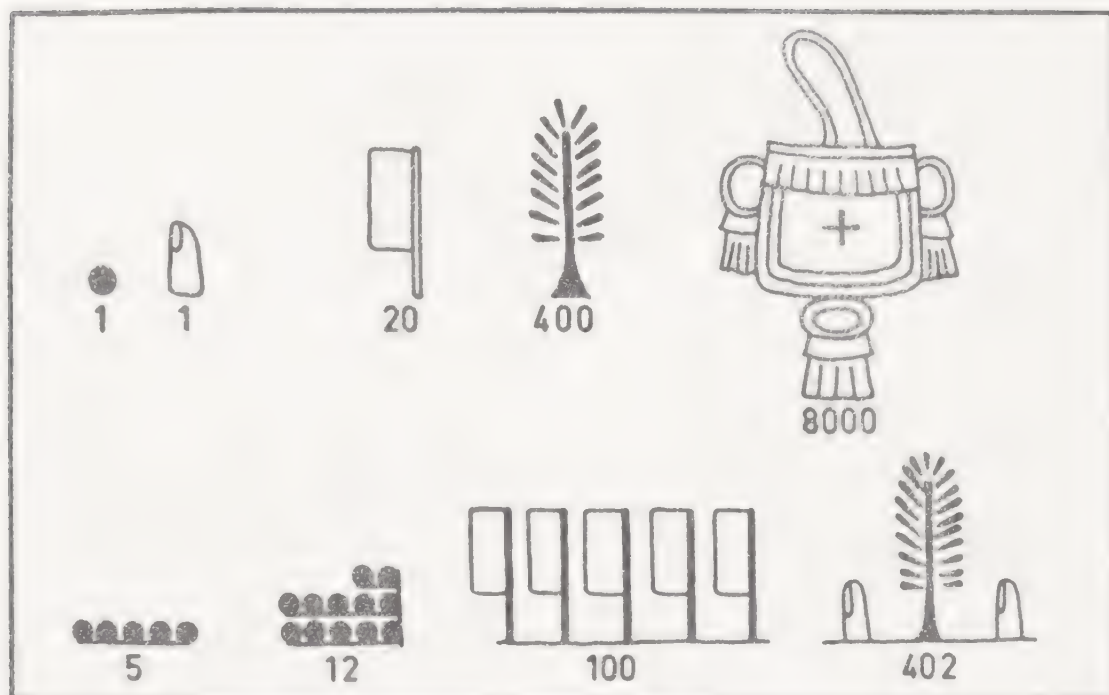
 1	 3	 5	 8	 10	 15	 18
 19	 $1 \times 20 = 20$  $0 \times 1 = 0$ <hr/> 20		 $12 \times 20 = 240$  $8 \times 1 = 8$ <hr/> 248			
 $15 \times 20 = 300$  $19 \times 1 = 19$ <hr/> 319	 $1 \times 360 = 360$  $0 \times 20 = 0$  $0 \times 1 = 0$ <hr/> 360		 $6 \times 7200 = 43200$  $13 \times 360 = 4680$  $0 \times 20 = 0$  $9 \times 1 = 9$ <hr/> 47889			

Numerals used by the Mayan in the Yucatan peninsula (Centro de Investigaciones Antropologicas, Mexico)

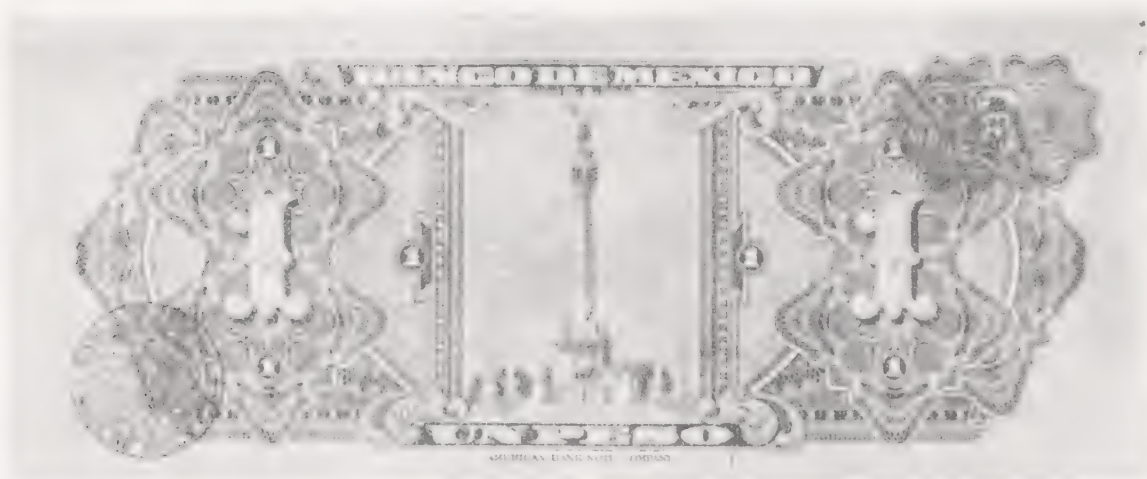
At the beginning of the festival period all fire and all lights were extinguished in the city. When the new fire was kindled, the priests from the temples brought torches which they lit from it. They then took the fire back to light the braziers in their own temples. All the people from the city then came to these temples with torches, in order to rekindle their domestic fires.

At the end of 104 years, when two of these cycles had been completed, the fire-festival, which was called "the Tying - up of Years" was extended by another day. Thus the ceremonial calendar was kept in line with true solar time with great accuracy."

The Aztec stone calendar depicts the face of the sun god, *Tonatiuh*, in the exact centre, indicating the present era. This is surrounded by four glyph-filled squares of the Four Movements which mark his emergence after four previous sun periods. The preceding ages are indicated by the four arms, which also bear the "motion" sign. The outer border contains two serpents representing time, the Fire-Serpents being porters who bore the Sun on his daily voyage. Around the center symbol concentric circles bear the twenty day-names or symbols, ornaments of sacred feathers and jade, and on the very edge are designs of the obsidian butterfly, *itzpapalotl*, symbolic of the heavens. Inserted in the eight holes on the surface were rods which, when the stone stood in its original site, cast shadows marking the sun's movement with perfect exactness.



Numerals used by the Mexicas in central Mexico.



Reverse of banknote on p. 187

The Aztec calendar was accurate to within one day every six thousand years, and was actually more accurate than the Gregorian calendar. Their 365-day year was corrected in such a way that they fixed the true passage of the earth about the sun at 365.2420 days, while modern calculations show it to be 365.2422 days, and our Gregorian calendar fixes the year at 365.2425 days.

For tongue twisters, try the names of the Aztec "months": Atlcaualco, Tlacaxi-

peualiztli, Tozoztontli, Uei Tozoztli, Toxcatl, Etzalqualiztli, Tecuiluitontli, Uei Tecuiluitl, Tlaxochimaco, Xocquetzi, Ochpaniztli, Teotleco, Tepeilcuitl, Quecholli, Panquetzaliztli, Atemostli, Titil, Izcalli; and try rattling off the names of the Aztec days: Cipactli, Ehecatl, Calli, Cuetzpalin, Coatl, Miquiztli, Mazatl, Tochtli, Atl, Itzcuintli, Ozomatli, Mallinalli, Acatl, Ocelotl, Quauhtli, Cozcaquanhtli, Ollin, Tecpatl, Quianitl, and Xochitl! □

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Knowledge is power. Likewise, in any science, including our own — numismatics — knowledge of the subject will not only add to the respect which others give to opinions expressed from time to time but it will create interest. Who will appreciate a decadrachm Kimon of Euaenetos if he does not know what it is? Who cares for a Brasher doubloon without a knowledge of its history? Who would seek for a specimen of the Pine Tree shilling if he did not know the great events connected with its issue? How many would pay any attention to an 1804 dollar if they did not know that it was genuine and could not explain the reason why the coin is so much sought for?

J. U. Gillespie
(*The Numismatist*, July 1930)

SOME NOTES ON THE “PILONCITO”

by Angelita G. Legarda, M.D.

In 1887, a farmer plowing his field in Calamba, Laguna, unearthed a jar filled with gold in the form of small cone-shaped nuggets inscribed with a character of some sort at the base. No less than Dr. Jose Rizal took an interest in what these gold bits might be and, in a letter to his friend Dr. Blumentritt, to whom he sent a sample, Dr. Rizal surmised that these gold bits might have been the form of money used in the past by the ancient Filipinos. In subsequent years, similar hoards were accidentally unearthed in various places, including Mandaluyong, Bataan, Makati, Mindoro, and Mindanao. Unfortunately for scholars and numismatists, the gold bits of 18-karat fineness were often quickly melted and sold for bullion value, and few specimens were preserved for study. Equally unfortunate was the fact that, partly because of the nature of the finds, partly because of the undeveloped stage of archaeological work during those times, there was never any systematic archaeological study of the sites where these gold nuggets were found.

The late eminent numismatist, Dr. Jose P. Bantug, was the first and only person to write a study of what has now



become known as the “piloncito.” Dr. Bantug’s scholarly thesis, presented with all the studies and sources available to the author at that time, brought forth the conclusion that the “piloncito” was indeed the form of money used by the ancient Filipinos in pre-Hispanic times. So few were the specimens extant at the time of Dr. Bantug’s writing that he was able to enumerate and list all the known specimens and their respective owners. With the destruction and ravages of World War II, the list became even shorter, as some specimens mentioned by Dr. Bantug were lost during the war (as those from his own collection were), and others could no longer be traced. The “piloncito” became one of the rarest of Philippine artifacts.

In December 1974, a new hoard of piloncitos appeared on the numismatic scene, suddenly arousing new interest in



these pre-Hispanic gold bits. The hoard, said to have been dredged from the Pasig river, was of particular interest because it consisted of "**piloncitos**" of different sizes and weights. Although Dr. Bantug had mentioned briefly the existence of smaller pieces, no details were given about these, and the recognized "**piloncitos**" extant were almost uniform in size and shape, and weighed 2.5 gms. The recently discovered hoard, however, consisted mostly of smaller pieces, and included at least one piece, different from the others, which will be described later, and which led this author to seek further data on the "**piloncito**."

What, indeed was the "**piloncito**"? Was it truly the form of money used by the ancient Filipinos, and if so, do the smaller pieces represent fractional denominations of a basic unit? Was the piloncito native, truly indigenous, or was it brought into the country from other sources in the course of trade with neighbouring countries? These, and many more questions arose in our mind about these curious odd-shaped pieces. We were especially intrigued by the one piece

found in these recent hoard which was different from the others, and perhaps serves as the clue to the problem.

First, let us review briefly what is known or has been written about the "**piloncito**." As described by older numismatists, the "**piloncito**" is a rounded cone-shaped gold piece weighing approximately 2.5 gms. and stamped at the base with the character "𑀧" which was interpreted to represent "MA" or "BA" in the ancient Tagalog script. This, in turn, led to speculations that the character may have stood for "Ma-it" or "Ba-it", the name by which the Philippines was known to the Chinese centuries before the Spaniards came on the scene. Hoards of piloncitos have been discovered in scattered sites throughout the years in areas which were known to have been populated and to have been trading centers in pre-Hispanic times.

Questions which arise: (1) To what historical period do the "**piloncitos**" belong? (2) What was their true function? (3) What does the character at the base really stand for? (4) Even assuming that the character stands for the syllable

“MA”, can it be assumed that “MA” indeed represented the Philippines?

In this paper we do not presume to give all the answers to these questions. All we aim to do is share with our readers the few notes we have gathered which might give a clue to the answers and which might encourage others to research further for more definitive conclusions.

It has been mentioned above that the latest hoard unearthed included one piece which was slightly different from the others. This piece was identical in shape and form to the piloncito, but at the base, instead of the character “8” there was an incuse square divided by a horizontal ridge and two small circles, one on either side of the ridge. This particular gold piece has been attributed by various sources to the Shri-Vijayan Empire, which included southern Thailand and Sumatra, and extended to much of what is now Indonesia. The earliest reference to this particular piece is an article written by H. Millies in 1871, in which an identical specimen is illustrated, described, and attributed to Java. R.A.G. Carson, in modern times, wrote that “the most ancient coinage of the islands (islands of the Indian Archipelago, now mostly grouped in the state of Indonesia) is a series of small gold pieces, similar in fabric to the fanams of South India but stamped with characters in an incuse. These pieces have been identified as coins of the Hindu period in Java as early as the tenth century.”

An identical piece is attributed in *Coins in Thailand*, a publication of the Bangkok National Museum, as follows:

“After the fall of the Funan King-



Gold bit attributed to Java, Ca. 10th, 11th Cent. A.D. (Much enlarged)

dom, Srivijaya, a new kingdom, rose to power in the South Sea islands. Its capital was probably near Palembang in Sumatra. Later this kingdom extended its power to some parts of southern Thailand and Java. Srivijaya was very wealthy, prosperous and powerful. The people built their houses along the coast. They traded with merchants in China and India. . . .Srivijaya people used Namo and sandal-flower money as currencies.”

The description above accompanies illustrations of Srivijayan coins described as “bearing Namo mark. Diam. 0-6 mm. 8th-13th cent. Obverse: old Sanskrit character ‘Na’; Reverse: groove: resembling a coffee bean. Found at Nakhon Srithammarat, Suratthani, Pitsanulok, and also in Java.”

Numismatist Hans Schulman, writing about coins of the Dutch East Indies says:

“...The earliest period in history about which we have numismatic knowledge in India is the Hindu era.

We have found a gold coinage of that period struck on Java — two very small light gold coins, something like bullets, with a sort of lotus flower on the obverse and a kind of letter on the reverse. The letter is explained as referring to the Djengala Empire, but there are no certain reasons to believe that this is true. These coins were struck around 400 A.D. These gold coins are rare. Silver pieces of the same period and somewhat later...are more common. They are called djampels and are known to be struck in different weights — 1, ½, and ¼ djampel. There have been found a great variety of these coins, but most of them bear a Hindu letter which is equivalent to our letter MA. That was reason enough for Netcher and Vanderchijs, and also for Millies (the numismatists for knowledge about Indies around 1880), to believe that they were struck in the Empire of Madjapahit, in Eastern Java, about 520 A.D. and until today no other theory has been established.”

The identification and attribution of this particular specimen is therefore fairly well established. Does its presence in the latest hoard of “**piloncitos**” imply that the “**piloncitos**” belong to the same period of antiquity? It is a distinct possibility. It is also possible that the “**piloncitos**” were copied from the

Javanese prototype and belong to a later period. Since excavated gold in itself is difficult, if not impossible, to date, we can only surmise at this point.

As mentioned earlier, the character inscribed on our piloncito has been described as representing the syllable “MA” in the ancient Tagalog syllabaries. However, a comparison with published tables of ancient alphabets seems to indicate that the character most closely resembles the syllable “MA” not so much of the ancient Philippine scripts, but rather in that classified as Javanese script during the 11th century. Admittedly, the ancient Philippine scripts are believed to have evolved from the same Hindu-Malayan origin. Would this, then, indicate that our “**piloncito**” is of Javanese origin, after all?

In their book *Coins of North Malaya*, Shaw and Ali mention that the semi-autonomous rulers of North Malaya issued indigenous currency “in the form of a trade coinage in gold, augmented by pewter cash for use in the local markets.” They also mention that:

“By the 16th century, the various states developed trade coinages that, in addition to being mutually interchangeable, were also generally accepted throughout the remainder of the archipelago. This was because they are all based upon a single common denominator, the weight of a mace (or mas) of gold according to the following scale:

5 candareens = 1 kupang
4 kupang = 1 mace (mas)
16 mace = 1 tahil
20 tahils = 1 kati

ANCIENT SYLLABARIES

TABLE II

Old Javanese	A	E-I	O-U	KA	GA	NGA	TA	DA	NA	PA	BA	MA	YA	LA	WA	SA	HA
Inscribed stone, Djogya, 781, Saka		ᮊ		ᮓ	ᮔ	ᮕ	ᮖ	ᮗ	ᮘ	ᮙ	ᮚ	ᮛ	ᮜ	ᮝ	ᮞ	ᮟ	ᮠ
Inscribed stone, Djogya, 789, Saka	ᮡ	ᮢ		ᮣ	ᮤ	ᮥ	ᮦ		ᮧ	ᮨ	ᮩ	᮪	᮫	ᮬ	ᮭ	ᮮ	ᮯ
Djogya, no date				᮰	᮱	᮲		᮳	᮴	᮵	᮶	᮷	᮸	᮹	ᮺ	ᮻ	ᮼ
Raffles, no date	ᮽ	ᮾ		ᮿ	ᮑ	ᮒ	ᮓ		ᮔ	ᮕ	ᮖ	ᮗ	ᮘ	ᮙ	ᮚ	ᮛ	ᮜ
Inscribed stone, Kwa-h-Galock, no date	ᮝ	ᮞ	ᮟ	ᮠ	ᮡ	ᮢ	ᮣ	ᮤ	ᮥ	ᮦ	ᮧ	ᮨ	ᮩ	᮪	᮫	ᮬ	ᮭ
Inscribed stone, Buitenzorg, 1055, Saka				᮰	᮱		᮳	᮴	᮵	᮶	᮷	᮸	᮹	ᮺ	ᮻ	ᮼ	ᮽ

The Hindu disciples of Buddha began at about the time of King Asoka to travel throughout the islands of the Far East. They do not seem to have taught Buddhism with much energy north of Java, but as teachers they carried a culture of India to the Philippine Islands. In Java they left a modified form of the Asoka alphabet. Asoka has no system of numerals and none of the Philippine descendant alphabets possesses a system of figures.

TABLE IV

[illegible]

(From Fletcher Gardner,⁶)

By this reckoning 1 *mas* was the equivalent of about 40 grains or 2.6 gms., and 1 kupang about 10 grains or 0.65 gms. of gold."

It is an interesting coincidence — if it is a coincidence — that the "**piloncito**" is almost exactly equivalent to one *mas*.

It is not too far-fetched to surmise that these gold bits of Javanese origin may have reached the Philippines in quantities due to the continuous and extensive trade of that period. On the other hand, it is also possible that the ancient Filipinos, knowing that gold in this form was acceptable as currency to their neighbors in the south, decided to manufacture similar gold bits and use them in their trading. Certainly there was plenty of gold in these islands, and it is well known that the ancient Filipinos were adept at working with gold.

Although the recent hoard was immediately dispersed and sold, the author was able to track down, examine, and weigh 48 pieces from it. The shapes were identical, and all had the same character stamped at the base, although in the case of smaller pieces, it was obvious that only portions of the character could be discerned. The weights varied from 0.9 gm. to 2.65 gms. with almost all weights in between represented (see chart). It is possible that the smaller pieces were meant to be fractional small denominations of a basic unit, with the largest size weighing 2.5 gms. as the basic unit. This is conceivable specially considering that the ancients of those times did not have the sophisticated weighing scales that we do today. Also, some of the smaller pieces appeared to be of lesser fineness than the

largest piloncitos, which were uniformly 18-karat gold.

Was the "**piloncito**" the form of money used by the ancient Filipinos? At this point we can only review Dr. Bantug's paper on the subject and have the reader decide for himself. However, we must point out that almost all accounts written by the Spaniards when they first arrived mention that the natives traded by barter using gold, and paid tributes in gold. They also mention differing qualities of gold in use, and different names given by the natives to the different types of gold. Again and again, in historical sources, we come across the description that the natives traded or paid their tributes with "granitos de oro" — "small grains of gold." We have to concede the possibility that the gold referred to by the Spaniards which they saw being used for trading purposes might have been "**piloncitos**", although there has been no description of an actual specimen found yet in these historical sources. A pity there were no numismatists among the early colonizers!

One other clue given us is the mention in Chinese sources that the Chinese during the Sung dynasty (10th-12th cent.) bartered their goods for, among other things, "trade gold". Could that "trade gold" have been our piloncito?

The answers to all these questions may lie in old documents lying in dusty archives, or they may simply no longer be available. Until some more fortunate and energetic researcher comes up with more data, the rest of us can only speculate — but that is what makes numismatics so interesting! □

ANALYSIS OF PILONCITOS FROM RECENT HOARD

Weight In Gms.	No. Of Pieces
0.09	1
0.135	1
0.14	3
0.15	4
0.16	2
0.18	2
0.20	1
0.22	3
0.24	1
0.25	2
0.26	3
0.30	1
0.32	1
0.33	1
0.35	2
0.45	1
0.50	1
0.51	1
0.55	1
0.58	1
0.60	1
0.67	1
0.775	1
0.87	1
0.89	1
1.86	1
2.20	1
2.23	1
2.25	1
2.28	1
2.29	1
2.40	1
2.44	1
2.5	1
2.65	1

48 pieces

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CONTEMPORARY COUNTERFEIT 8-REALES COINS

by

A. G. Legarda



The second edition of Elizondo's *Eight Reales and Pesos of the New World*, a major reference work, lists an 8-reales piece of the Mexico Mint dated "1870" as an "Error in Date -- Extremely Rare" (Elizondo-131).

Philippine collectors are aware that the 1870-dated piece is not "extremely rare" although it could be considered scarce. The pieces which have appeared in the numismatic market all have assayer's initials "F.M." as does the one illustrated in Elizondo (although the initials are listed as "T.H." in the text). It is our belief that this piece should be considered a contemporary counterfeit and not "error in date."

If the date were an error, the original would have been either 1780 or 1807. The 1780 would be unlikely because the bust would have to be of Carlos III rather than Carlos IV. That the original was the 1807 is also unlikely because the assayer's initials at that time were "T.H.". "F.M." ceased to function in 1802. (An 1807 "F.M." is listed in Burzio from an original reference in *Numisma*, 1955, but we have no definite assurance of its authenticity.)

The eminent Philippine numismatist, the late Dr. Jose P. Bantug, mentions three 1870-dated specimens in his collections all proven counterfeits. A specimen exists in our own collection which was stamped "FALSA" at the Casa de Mone-

da in Manila, proving that even those in days the piece was recognized as counterfeit.

Of the many pieces we have examined dated 1870, we have yet to find a single specimen which can be considered genuine. Until proven otherwise, we contend that the 1870-dated 8-real piece, Elizondo-131, is not an "error in date" but a contemporary counterfeit.

The article below, 'reprinted from *Numismatic Scrapbook Magazine* (April, 1952) and based on a 1910 pamphlet in our possession entitled "Fabricacion en Birmingham El Ano 1796 de Falsos



Reales de A Ocho Espanoles" by Pablo Bordeaux (translated from the original French by Adolfo Herrera) gives us some background on contemporary counterfeits.

False Chinese Dollars

by
Melvin O. Carmichael

Chopmarks seem to be an outgrowth of the immense amount of counterfeit Spanish piastres or 8 reales coins fabricated in Birmingham, England during the 1790's and the 1800's, and probably later, a fabricating not entirely without government sanction, and intended for circulation in the West Indies, from whence many got into circulation into the U.S. and more specially intended for English trade in China and India.

During the French Revolution the powerful British navy was doing a lot of circulating among the Spanish colonies in an attempt to either seize them, or, at least, to raise a lot of complications. While these expeditions were taking place

a number of Birmingham businessmen decided to make use of the general situation and manufacture their own version of the then standard of good currency, the Spanish dollar, and let their country's expeditions circulate them in the countries where the Spanish dollar was current, in the West Indies, the larger part of both Americas, and in the Orient. This latter trade was the exclusive property of the East India Company, they used only piastres in their dealings, they knew of this extensive counterfeiting, but never attempted to do anything about it. In the year 1792 one Birmingham manufacturer alone had a weekly output of 100,000 reales.

In a letter concerning this remuneration currency tampering written on March 25, 1797 by a Spanish physician assigned to investigate the matter and addressed to the Spanish ambassador in London, it was stated that the British government was aware of this counterfeiting but was doing nothing to stop it.

In 1793, one honest Birmingham tradesman made several written protests to a British minister regarding these activities, but the protests were unanswered, and no action taken on their disclosures. A letter written by Matthew Boulton, the British government coiner at Birmingham, to the same Minister received the same indifference. Mr. Boulton complained to the Spanish physician of "the secret protection accorded to the coiners by the British government."

Newspaper advertisements were placed offering a reward to any one denouncing the forgers. One informer showed up at the office of the Birmingham Magistrate, but the official was absent at the time and the informer could not be sworn in, "and when the Magistrate returned the informer had disappeared, and he has never since been seen again in the city."

On another occasion, this Magistrate was urged to investigate certain premises "strongly suspected" to be counterfeit's workshops. He refused, with the assertion that his authority did not extend this far.

It was the protection offered by the East India Company and certain Ministers and Magistrates that kept the forgers in business, and not any lack of legislation against their activities. An old law of Queen Elizabeth ordered that "The counterfeiting of foreign money, not



current in England" constituted a crime of "Misprision of treason," a crime which differs only by degree from high treason. Stiff penalties were set for the crime.

A Prime Minister of Spain under Chas. IV to England made some friendly protests concerning this damage to his country's currency, but on August 29, 1796 Spain and France contracted an offensive and defensive treaty, which was followed five weeks later by an English declaration of war on those two countries; after that the Spanish Prime Minister kept silent on the subject, a silence that extended even to his memoirs. The following war gave the British, with the aid of their naval blockades, with the aid of their naval blockades, every facility to spread these counterfeit dollars in sea-coast towns of the Spanish colonies.

Almost all these counterfeit dollars bore the effigy of Charles IV of Spain, who ascended the throne in 1788, and the larger part of them bore the Mexico City mintmark, probably because the public who was to be victimized by them knew that that mint was a prolific issuer

of dollars for Spain, very often under crude methods of manufacture.

These pieces exist with the counter-stamped bust of Geo. III of England, an official British government counterstamp. Official records show that 3 million Mexican dollars were stamped for English use with the bust of Geo. III after official tests as to their genuineness. That this stamp also appears on the counterfeits would imply that the manufacturers of them had recourse and access to some quite convincing means to convince the public that the results of their enterprise was an official product, officially tested.

This considerable issue of phony Spanish money and its wide diffusion on the monetary markets of the Far East, chiefly China, makes it obvious why the custom became so general among Chinese bankers to test and chopmark their Spanish coins. The Asiatic traders later extended this custom to the dollars and French 5 franc-ecus which passed through their hands for circulation in Asia. Not unnaturally, the Spanish-American traders, after losing enough on the circulation of these counterfeits, must have tried to get rid of theirs in China and India where only silver currency was used.

At the beginning of the 19th century China was so flooded with counterfeit currency that the Chinese began to refuse all Spanish money unless it had been previously tested and chopmarked as genuine by some Oriental worthy of confidence.

There are at least five different counterfeit Spanish dollars, two altered and three entirely false.

1. An altered piece, clipped and reduced by the following method. The piece is submitted to a powerful flattening pressure by machinery made for the purpose. After the spreading it is cut down to its former diameter. Since the design was obliterated, the piece is restruck and the result is a new, but thinner, coin. The new piece is 84 grains lighter, and the forger is about .15¢ in silver ahead, and 160 years ago .15¢ was money.

2. Another altered piece, is formed of the obverse of one coin, and the reverse of another. Each whole piece is filed down until it is paper thin, then the obverse and reverse is soldered onto a copper disc and the edge is put on by machinery. This particular method is the most ingenious of the counterfeiting, and results in a piece with a good impression and an almost perfect sound, while more than 7/8th of the silver is salvaged.

3. A straight counterfeit made of an alloy of silver and copper, but with 84 more grains of copper per ounce than the genuine.

4. The more familiar, silver plated copper piece. The copper was first spread out in a thin plate, then on each side was soldered thinner silver plates. This product is pressed in a rolling mill until it is the thickness of the desired coin, then a disc is stamped out and struck.

5. A silver-plated tin. It is the most crude and easiest to detect because of its light weight, dullness when a little worn, and especially of its sound. □

Museum News & Notes

SPECIAL NUMISMATIC EXHIBIT FOR IMF-WORLD BANK ANNUAL MEETINGS

The travelling numismatic collection of the Banco de Mexico and selected gold artifacts from Colombia are the twin attractions of the Money Museum for the duration of the I.M.F.-World Bank Annual Meetings in Manila. This special numismatic exhibit, formally inaugurated on September 30, is open to the public for the months of October-November to afford interested parties a chance to trace the historical link of the Philippines with the two Latin-American countries through their coins and artifacts.

The Mexican collection, on loan from the Banco de Mexico featuring about 600 coins including rare gold and silver pieces, reflects the numismatic history of Mexico from the primitive monies of pre-Spanish times to issues of the 20th century. The display of coins is supplemented by graphics and explanatory captions which give a capsule

view of the various periods of Mexican history as well as an acquaintance with outstanding historical figures and national heroes. This exhibit should be of great interest to all Philippine viewers aware of the strong historical ties linking Mexico and the Philippines.

A special exhibit of pre-Spanish gold artifacts from the Museo del Oro, Bogota and displayed through the courtesy of the Banco de la Republica de Colombia, is a not-to-be-missed event. The display presents a rare opportunity for Philippine viewers to see some of the fabulous treasures which gave rise to the legend of "El Dorado". Some pre-Hispanic gold artifacts found in the Philippines are on display alongside the Colombian gold, and should arouse much interest and speculation among those who recognize similarities in the gold-work of different cultures developing oceans apart.

GOLD COIN COMMEMORATES IMF-WORLD BANK ANNUAL MEETINGS



A 1,500-Peso gold coin, the Philippines' second legal tender coin of this metal since 1885, has been issued by the Central Bank to commemorate the holding of the 31st Annual Meetings of the International Monetary Fund and the World Bank Group in Manila from October 4-8.

With a metallic composition of 90% gold, 5% silver and 5% copper, the coin weighs 20.55 grams and has a diameter of 33.5 mm.

The obverse has the map of the Philippines with the inscription "Manila" pinpointing the geographical location of the convention circumscribed by the

inscriptions "Republika Ng Pilipinas" and "1500 Piso".

The reverse features the logos of the four organization (I.M.F., IBRD, IFC and IDA) surrounded by the inscriptions "Boards of Governors Annual Meetings 1976 Manila"

The coin was designed by *Barrilla's* executive editor Angelita G. Legarda with the assistance of an *ad hoc* committee consisting of Antonio Bantug, Manuel P. Manahan, Carlos Quirino and Alfredo Roces.

Proof and brilliant uncirculated coins may be obtained from the Cash Department of the Central Bank.

THE PHILIPPINES



**In this country profuse with riches,
the greatest resource is the people.**

The Philippines has huge reserves of copper and iron ore, nickel, manganese and other minerals. It has abundant land for farming and grazing. Its waters teem with wealth: edibles, pearls, the prospect of oil.

But best of all, the Philippines has an inventive, intelligent people working to develop the country's

resources to the fullest. Enlightened governmental economic programs have stimulated growth in recent years. A liberalized tax scheme continues to attract investments from all over the world. Invest in the Philippines and share in the harvest. Call the Central Bank of the Philippines.



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MANILA

